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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/771,094	02/02/2004	John N. Gross	JNG 2004-4	2038
23694 7590 06/09/2009 J. NICHOLAS GROSS, ATTORNEY 2030 ADDISON ST. SUITE 610 BERKELEY, CA 94704			EXAMINER RUHL, DENNIS WILLIAM	
			ART UNIT 3689	PAPER NUMBER
			MAIL DATE 06/09/2009	DELIVERY MODE PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary

Application No.

10/771,094

Applicant(s)

GROSS, JOHN N.

Examiner

Dennis Ruhl

Art Unit

3689

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --
Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☐ Responsive to communication(s) filed on ____.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-20 is/are pending in the application.
- 4a) Of the above claim(s) ____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) ____ is/are allowed.
- 6) ☒ Claim(s) 1-20 is/are rejected.
- 7) ☐ Claim(s) ____ is/are objected to.
- 8) ☐ Claim(s) ____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on ____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
 - ☐ Certified copies of the priority documents have been received in Application No. ____.
 - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftperson's Patent Drawing Review (PTO-948)
- 3) ☒ Information Disclosure Statement(s) (PTO/SB/08)
Paper No(s)/Mail Date 6/14/04; 1/26/05; 5/13/05; 6/19/06; 1/17/07; 10/12/07; 10/24/07; 1/16/09; 1/20/09
- 4) ☐ Interview Summary (PTO-413)
Paper No(s)/Mail Date: ____
- 5) ☐ Notice of Informal Patent Application
- 6) ☐ Other: ____

1. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

2. Claims 1-9,11-20, are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

For claims 1-9, in order for a method to be considered a "process" under §101, a claimed process must either: (1) be tied to a particular apparatus or machine or (2) transform underlying subject matter (such as an article or materials). *Diamond v. Diehr*, 450 U.S. 175, 184 (1981); *Parker v. Flook*, 437 U.S. 584, 588 n.9 (1978); *Gottschalk v. Benson*, 409 U.S. 63, 70 (1972). If neither of these requirements is met by the claim, the method is not a patent eligible process under §101 and is non-statutory subject matter. With respect to claims 1-9,11-20, the claim language does not include the required tie or transformation and thus is directed to nonstatutory subject matter. There is no tie to any particular machine in the claims and there is no transformation of an article from one state to another.

For claims 11-20, applicant has only claimed a number of "routines". This is claiming nothing more than software per se, which is not statutory. Software or "routines" do not fall into any one of the allowable statutory classes of invention as far as being a process or an apparatus or article of manufacture of some kind. Software alone as is claimed is not statutory.

3. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

4. Claims 2,10-20, are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

For claim 2, there is no antecedent basis for "the network" as none has been recited in claim 1. What does this refer to? It is not clear if there is a network in the scope of claim 1 or if there is a network first recited in claim 2. This renders the claim indefinite.

For claims 10-20, it is not clear as to what is being claimed. What structure to a system is recited here? The examiner sees none other than software routines which do not define a system as far as an apparatus type of statutory claim goes. Also, in claim 19, it does not make any sense to recite that the subscriber can alter their queue ordering without additional subscriber input. If the subscriber is choosing to alter the ordering of their queue, that requires input of some kind. This claim is not clear and is considered to be indefinite.

5. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

6. Claims 1-4,6,7,9-16,19,20, are rejected under 35 U.S.C. 102(e) as being anticipated by Hastings et al. (6584450).

For claims 1,3,4,7,9-11,14-16,19,20, Hastings discloses a system and method for providing content to subscribers. Hastings discloses that a delivery queue is set up by the subscriber that contains a list of one or more items they desire to rent (e.g. a movie). See column 4, lines 22-34 and lines 54-67 as examples. A set of queue replenishment rules are employed to determine if the ordering of the titles in the queue should be changed. When a DVD is returned (a trigger) the system checks the queue replenishment rules (Max Out option and/or Max Turns as selected by the subscriber) to determine if the ordering of the queue should be changed, such as by removing a movie from the delivery queue by shipping it out to the subscriber. When a new DVD is shipped, the ordering of the queue is changed because that title is taken out of the queue and is then in a checked out status. With respect to monitoring the queue to determine if a new item should be added, even though only one of the two situations in part c) is required due to the use of "or", Hastings discloses that there is a recommender system that can recommend movies to the user that are to be added to

the queue (can be done by "genre" which satisfies claim 20 as far as a type goes). See column 8, lines 43-65 as an example. The delivery queue is modified as claimed.

For claim 2, the recommender system and the monitoring of the queue happens without the subscriber having to be connected to the network as claimed. The system of Hastings will operate as disclosed regardless of whether or not a subscriber is connected via a network.

For claim 6, it is inherent that the modification will occur after a predetermined time delay, which is the delay involved with the use of networks and hardware. The type of hardware used and the type of network used with result in a predetermined delay, because nothing happens in absolute real time.

For claim 12, the queue in Hastings is maintained at a website as claimed. The software is fully capable of being executed via a separate website. Software can be executed on any computer or server it is placed on.

For claim 13, the subscriber rental queue is maintained (very broad) by the user via their own computer. Any subscriber made changes are done by using a subscriber computer.

7. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

8. Claims 8,18 are rejected under 35 U.S.C. 103(a) as being unpatentable over Hastings et al. (6584450). Hastings discloses the invention substantially as claimed.

For claim 8, with respect to trigger event being based on the quantity of items remaining in the queue, this is not disclosed by Hastings. The examiner takes "official notice" that it is well known to notify customers of the fact that an account is getting low and that the account balance needs to be modified. An example would be a financial account where customers can be notified of a low account balance so that the customer can take steps to ensure that the balance is kept at a satisfactory level. Children going to elementary school use meal cards (pre-paid cards) to pay for meals. When the account balance is getting low the school sends out a notification to the parents to inform them that the meal card balance is getting low. It would have been obvious to one of ordinary skill in the art at the time the invention was made to provide the customer with a notification when it is determined that their queue is empty and that a modification to the queue should occur if they want to receive more DVD items. The fact there are no movies in a subscriber's queue is something that the subscriber would like to know about (one of ordinary skill in the art would recognize this) so that they can modify the queue and receive another movie.

For claim 18, not disclosed is that the queue replenishment rules ensure that there is always at least one item in the subscriber queue. This is in essence ensuring that the customer always has at least one movie in their queue. One of ordinary skill in the art recognizes that good customer service is good for business. The examiner takes "official notice" of the fact that it is well known for music delivery companies to automatically send a selection to a subscriber on a monthly basis, so that they receive something each month. When one enters into a subscription with a mail delivery music service, they agree to purchase a certain number of selections (e.g. music albums), and each month the subscriber can be sent a selection without their input. Columbia House is known to have done this for music titles and Time Life is known to have done this for a book subscription club many years ago, and in reality this has been done for decades. One of ordinary skill in the art would have found it obvious to ensure that there is always at least one movie in their queue so that the customer can always have a movie to view as is known in the art.

9. Claims 5,17, is rejected under 35 U.S.C. 103(a) as being unpatentable over Hastings et al. (6584450) in view of Pennell et al. (6874023). Hastings discloses the invention substantially as claimed.

For claims 5,9, not disclosed is a notification that will notify the subscriber when the ordering of the queue has been changed by monitoring the queue (for either a sent out movie or for a recommended movie being added to the queue). Pennell discloses a system and method where a customer that has an account with a particular web site

can be notified of any changes in their account. Pennell discloses changes such as miles being added to a Frequent Flyers account or trades being made at eSchwab (online trading). Pennell recognizes that it may be too time consuming for the customer to continually log into their account at the respective web site and discloses that the notification system makes this process much easier and more user friendly. It would have been obvious to one of ordinary skill in the art at the time the invention was made to provide the subscriber of Hastings with the ability to monitor their queue and receive notifications when changes are made as disclosed by Pennell (identify items that are being shipped and informing them that the order of the queue is changed) so that the customer does not have to continually log into their account to be informed of account changes.

10. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Dennis Ruhl whose telephone number is 571-272-6808. The examiner can normally be reached on Monday through Friday.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Janice Mooneyham can be reached on 571-272-6805. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/Dennis Ruhl/
Primary Examiner, Art Unit 3689